## STATE OF NEW YORK

3126

2021-2022 Regular Sessions

## IN SENATE

January 27, 2021

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

AN ACT to amend the public service law and the energy law, in relation to establishing energy efficiency measures by the public service commission and the New York state energy research and development authority

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

- Section 1. The public service law is amended by adding a new section 66-q to read as follows:
- 3 § 66-q. Energy efficiency program. 1. As used in this section, the following terms shall have the following meanings:

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- (a) "energy efficiency" means the reduction in overall energy use, 6 expressed as a percentage against a prior baseline of historical use, or 7 in British thermal units (BTUs). Energy efficiency shall include environmentally beneficial electrification; 8
- (b) "energy efficiency measure" means a particular good or practice 9 10 that provides an energy efficiency benefit;
- 11 (c) "environmentally beneficial electrification" means a replacement 12 of direct fossil fuel use with electricity such that the replacement 13 reduces overall emissions and energy costs;
- (d) "potential environmental justice areas of concern" means areas of 14 United States census block groups of two hundred fifty to five hundred 15 16 households each that, in the most recently released census, had popu-17 lations that met or exceeded at least one of the following statistical 18 thresholds:
- 19 (i) at least 51.1 percent of the population in an urban area reported 20 themselves to be members of minority groups; or
- 21 (ii) at least 33.8 percent of the population in a rural area reported 22 themselves to be members of minority groups; or

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 (iii) at least 23.59 percent of the population in an urban or rural 2 area had household incomes below the federal poverty level;

- (e) "residential building" means a building having primary use as a domicile;
- 5 (f) "rural area" means all territory, population, and housing units
  6 that are not classified as an urban area, or as subsequently defined by
  7 the United States census bureau;
- 9 ness with one hundred employees or fewer; provided they (i) own their
  10 building or (ii) lease or manage all or part of the building and have a
  11 release from the building owner to apply for financing through the
  12 program; and
  - (h) "urban area" means all territory, population, and housing units located in urbanized areas, which is a continuously built-up area with a population of fifty thousand or more, and in places of two thousand five hundred or more inhabitants outside of an urbanized area, or as subsequently defined by the United States census bureau.
  - 2. In order to stimulate the growth and adoption of a more efficient use of energy in potential environmental justice areas of concern and to promote the hiring and training of employees from potential environmental justice areas of concern, the commission shall develop, oversee and issue guidelines to be used as part of any energy efficiency proceeding or utility program, including without limitation orders issued in commission case number 18-m-0084, which shall include the following elements:
  - (a) any job training funding administered by utilities for energy efficiency implementation shall serve trainees living in areas designated as potential environmental justice areas of concern, proportional to these areas' share of the state housing and small commercial building stock;
  - (b) employees hired for implementation of utility energy efficiency programs shall be from areas designated as potential environmental justice areas of concern, proportional to these areas' share of the state housing and small commercial building stock, or from other areas designated as potential environmental justice areas of concern within seventy-five miles of target work sites; and
  - (c) require any residential and small business energy efficiency program funding used directly for energy efficiency measures administered by utilities shall be allocated to areas designated as potential environmental justice areas of concern, proportional to these areas' share of the state housing and small commercial building stock.
- 42 § 2. The energy law is amended by adding a new section 5-123 to read 43 as follows:
- 44 § 5-123. New York state energy research and development authority 45 energy efficiency requirements. 1. As used in this section, the follow-46 ing terms shall have the following meanings:
- 47 <u>a. "energy efficiency" means the reduction in overall energy use,</u>
  48 <u>expressed as a percentage against a prior baseline of historical use, or</u>
  49 <u>in British Thermal Units (BTUs). Energy efficiency shall include envi-</u>
  50 <u>ronmentally beneficial electrification;</u>
- 51 <u>b. "environmentally beneficial electrification" means a replacement of</u>
  52 <u>direct fossil fuel use with electricity such that the replacement</u>
  53 <u>reduces overall emissions and energy costs;</u>
- 54 <u>c. "authority" means the New York state energy research and develop-</u> 55 <u>ment authority;</u>

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d. "potential environmental justice areas of concern" means areas of United States census block groups of two hundred fifty to five hundred households each that, in the most recently released census, had populations that met or exceeded at least one of the following statistical thresholds:

- (i) at least 51.1 percent of the population in an urban area reported themselves to be members of minority groups; or
- (ii) at least 33.8 percent of the population in a rural area reported themselves to be members of minority groups; or
- 10 (iii) at least 23.59 percent of the population in an urban or rural 11 area had household incomes below the federal poverty level;
  - e. "rural area" means all territory, population, and housing units that are not classified as an urban area, or as subsequently defined by the United States census bureau;
  - f. "small commercial building" means a building operated by a business with one hundred employees or fewer; provided they (i) own their building or (ii) lease or manage all or part of the building and have a release from the building owner to apply for financing through the office; and
  - g. "urban area" means all territory, population, and housing units located in urbanized areas, which is a continuously built-up area with a population of fifty thousand or more, and in places of two thousand five hundred or more inhabitants outside of an urbanized area, or as subsequently defined by the United States census bureau.
  - 2. In order to stimulate the growth and adoption of a more efficient use of energy in potential environmental justice areas of concern and to promote the hiring and training of employees by utilities and other entities from potential environmental justice areas of concern, the authority:
  - a. shall require that any program funding for the installation of end-use energy efficiency measures administered by the authority with the goal of achieving the one hundred eighty five trillion British thermal units of end use energy below the two thousand twenty-five energy use forecast goal shall be allocated to areas designated as potential environmental justice areas of concern, proportional to these areas' share of the state housing and small commercial building stock;
  - b. may allocate funds to non-energy related interventions in conjunction with energy interventions, including but not limited to mold, lead, and asbestos remediation pursuant to the recommendations of an integrated physical needs assessment performed by the division of housing and community renewal or another qualified agency;
  - c. shall require any job training program funding administered by the authority for energy efficiency implementation serve trainees living in areas designated as potential environmental justice areas of concern, proportional to these areas' share of the state housing and small commercial building stock; and
  - d. shall require employees hired for implementation of authority programs for efficiency implementation are from areas designated as potential environmental justice areas of concern, proportional to these areas' share of the state housing and small commercial building stock.
  - 3. The authority shall gather and publish on its website data on nonenergy benefits (NEBs) of home and building-scale energy efficiency programming as evaluated in benefit-costs analysis by the authority.
  - 4. The public service commission shall have the authority to adjudicate complaints and conduct investigations for violation of this section in the manner provided by the provisions of this article and shall have

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## 1 the authority to enforce the provisions of this section in accordance with section twenty-six of the public service law.

§ 3. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein. 11

12  $\S$  4. This act shall take effect on the ninetieth day after it shall 13 have become a law. Effective immediately, the addition, amendment and/or 14 repeal of any rule or regulation necessary for the implementation of 15 this act on its effective date are authorized to be made and completed 16 on or before such effective date.